

Message Text

LIMITED OFFICIAL USE

PAGE 01 TOKYO 06205 280247Z

ACTION EB-08

INFO OCT-01 EUR-12 EA-07 IO-13 ISO-00 AID-05 CIAE-00
COME-00 FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00
XMB-02 OPIC-03 SP-02 LAB-04 SIL-01 OMB-01 NSC-05
SS-15 STR-04 CEA-01 L-03 H-01 PA-01 PRS-01
DOTE-00 FEA-01 ERDA-05 DODE-00 FPC-01 INT-05
PM-04 OES-06 ACDA-07 /135 W
-----280356Z 021747 /20

R 280205Z APR 77

FM AMEMBASSY TOKYO

TO SECSTATE WASHDC 7304

INFO USDEL MTN GENEVA

USMISSION OECD PARIS

USMISSION EC BRUSSELS

AMEMBASSY LONDON

AMEMBASSY OTTAWA

LIMITED OFFICIAL USE TOKYO 6205

E.O. 11652: N/A

TAGS: ETRD, JA

SUBJECT: AUTO TAX/REBATE SYSTEM OF PROPOSED NATIONAL ENERGY
PLAN: GOJ AND JAPANESE PRESS REACTION

REF: A) STATE 90436; B) STATE 90458; C) STATE 90612

1. SUMMARY: PROPOSED AUTO TAX/REBATE PLAN, AND ITS
POSSIBLE EFFECT ON IMPORTS, HAS, TO DATE, PRODUCED MILD
REACTION FROM GOJ OFFICIALS AND AN IMMEDIATE BRIEF FLURRY
OF EXCITEMENT IN THE JAPANESE PRESS. APRIL 27 NIHON
KEIZAI NOW REPORTS THAT MITI HAS DECIDED TO EXPRESS
OFFICIAL CONCERN ABOUT PLAN. MITI DESCRIBES ARTICLE AS
"PREMATURE" AND SAYS GOJ IS STILL STUDYING ENERGY PROPOSALS,
PARTICULARLY AUTO TAX/REBATE SCHEME'S POSSIBLE EFFECT ON
AUTO IMPORTS. END SUMMARY.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 TOKYO 06205 280247Z

2. DURING DISCUSSIONS WITH EMBOFFS, OFFICIALS AT BOTH
THE MOFA (2ND N.A. DIV DIR FUKUDA) AND MITI (AUTO DIV
DEP DIR KIDA) EXPRESSED UNDERSTANDING OF PRESIDENT'S
PROPOSALS ON AUTO TAX/REBATES. THEY NOTE THAT
A POSSIBLY LENGTHY LEGISLATIVE PROCESS IS INVOLVED
AND THAT CONTENT OF FUTURE AGREEMENTS HAS NOT

BEEN DECIDED. MITI OFFICIAL NOTED THAT VEHICLES MANUFACTURED IN CANADA ARE TO BE TREATED DIFFERENTLY FROM OTHER IMPORTS AND EXPRESSED CONCERN LEST FUTURE AGREEMENTS BECOME IN FACT A CEILING ON THE NUMBER OF JAPANESE VEHICLES THAT COULD BE EFFECTIVELY MARKETED IN THE U.S. FON MINISTRY OFFICIAL EXPRESSED CONFIDENCE AGREEMENTS WOULD BE "FAIR" AND NOT A NEW RESTRICTION ON TRADE.

3. ANNOUNCEMENT OF THE AUTO TAX/REBATE PLAN PRODUCED AN IMMEDIATE BRIEF FLURRY OF ARTICLES IN THE APRIL 22 PRESS. EXECUTIVES OF THE JAPANESE AUTO INDUSTRY WERE WIDELY QUOTED AS BEING AGAINST THE PLAN AND THE PRESS IN GENERAL CHARACTERIZED THE SCHEME AS "CONTRARY TO GATT" AND A NEW FORM OF QUOTA RESTRICTION WHICH "GIVES A GLIMPSE OF A PROTECTIONIST VIEW UNDER THE NAME OF ENERGY ECONOMIZATION." AS MORE DETAILS BECAME AVAILABLE, THE TONE OF THE INDUSTRY LEADERS AND PRESS MODERATED. HOWEVER, APRIL 27 NIHON KEIZAI CARRIES REPORT THAT MITI HAS NOW DECIDED TO FILE AN OFFICIAL "PROTEST" AGAINST PLAN BECAUSE THERE IS DANGER OF ITS LEADING TO IMPORT RESTRICTIONS AGAINST FOREIGN CARS AND VIOLATING PRINCIPLES OF FREE TRADE. IN RESPONSE OUR INQUIRY, MITI OFFICIAL HAS TERMED NIHON KEIZAI ARTICLE "PREMATURE" AND SAYS THAT GOJ IS STILL STUDYING PROPOSED U.S. ENERGY PLAN, PARTICULARLY AUTO TAX/REBATE SCHEME AND ITS POSSIBLE EFFECT ON IMPORTS.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 TOKYO 06205 280247Z

4. EMBASSY WILL ADVISE DEPARTMENT OF ANY SIGNIFICANT DEVELOPMENTS.
SHOESMITH

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LEGISLATIVE BILLS, AUTOMOBILES, TAX RELIEF
Control Number: n/a
Copy: SINGLE
Sent Date: 28-Apr-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977TOKYO06205
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770148-0175
Format: TEL
From: TOKYO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t1977047/aaaaafqy.tel
Line Count: 100
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 84be2fa7-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 STATE 90436, 77 STATE 90458, 77 STATE 90612
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 22-Dec-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2843684
Secure: OPEN
Status: NATIVE
Subject: AUTO TAX/REBATE SYSTEM OF PROPOSED NATIONAL ENERGY PLAN: GOJ AND JAPANESE PRESS REACTION
TAGS: ETRD, ELTN, JA
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/84be2fa7-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009